California Performance Review Commission Hearing Testimony of Eric Herbert, C.O.O Burrtec Waste Industries, Inc.,

September 17, 2004

I. Introduction

I appreciate the opportunity to participate in this important process and believe that its success will require a dialogue of citizens, business and government. I am here representing my company, Burrtec Waste Industries, as well as the California Refuse Removal Council.

I am enthusiastic about the CPR effort, and I support the CPR goals of building a new framework for state government that will be more accessible, accountable, efficient, and effective.

II. Personal Background and Experience of Eric Herbert

I am the Vice President and Chief Operating Officer of Burrtec Waste Industries. Burrtec Waste Industries is a privately held, solid waste and recycling company providing collection, processing, transfer, and landfill services to over one million customers in 26 communities and employing over 1,000 Californians.

I am a member of the California Refuse Removal Council and its State Executive Committee. CRRC's membership includes the majority of solid waste and recycling companies in the State.

III. CRRC: Waste Industry's Role in California's Leadership in Waste Management

Burrtec and CRRC Members collect, haul, process, recycle and dispose of waste. We are the companies that show up each day and make these complicated regulations work in a highly competitive industry.

We are a highly regulated industry – City and County governments, CEQA, CIWMB, CARB, Air Districts, RWQCB, DTSC, Dept of Conservation, and others - all oversee parts of our business

We have invested billions of dollars in infrastructure in achieving the State's goals under AB939 while delivering a valuable, relatively low cost service to California.

We are all proud of our accomplishments.

IV. Specific Comments and Recommendations on the CPR Report.

13 of the 35 recommendations in the Resource Conservation and Environmental Protection section of the CPR report relate to the waste industry. I am in support of Recommendations 1, 7, 10, 15, 18, 19, 22, 25, 26 and 27. While I may have some comments on many of these recommendations, I will limit my testimony to four of the more important recommendations.

1. Consolidate CIWMB into New Department of Environmental Protection

This recommendation should provide for better regulatory oversight and enhance communications and coordination, which I support. I do have concerns over the implementation.

In order for this department to be effective it is essential to maintain a structure that provides a forum for public input and participation. The new department must be accountable but should also be participatory and not insular. In addition, this department should be efficient and effective with a focus on results. I believe this could be accomplished.

Recommendation:

- The Expert Advisory Panel that reports to the Department Secretary should provide broad policy direction to the department and should include a diverse cross section of policy, scientific, industry and environmental experts.
- Environmental Hearing Panels should be established that would involve experts for the different divisions in the new department, e.g. water quality, recycling & waste management, etc. Specifically, I recommend that a panel be established for each division and that the undersecretary be the chair of that division. The purpose of these panels would be to act as an appellate body for enforcement actions as well as to provide a forum during the development of regulations. Further, I would recommend that the governor appoint members of the public with relevant expertise to participate on the panels. In this way the goal of accountability is achieved, but a viable public participation process is maintained.

2. RES 03 - Consolidate Waste Management Programs

<u>Support this recommendation</u> because programs should be aligned by function. Similar and related activities should be brought together to identify duplication of roles. There is a great amount of overlap and redundancy between programs, and we should eliminate those, which are confusing and costly.

3. RES 23 - Eliminate CIWMB Concurrence in Solid Waste Facility Permits

<u>Support this recommendation</u> because the current process is duplicative between the local and state levels and that the state could better use its resources by improving its oversight and training functions with the Local Enforcement Agencies. Decisions affecting local communities should be made locally.

4. RES 32 – Broaden the Use of Environmental Fee Collections to Address Unmet Needs.

I am concerned about this recommendation in that the fees collected for recycling and solid waste management could be broadened into unrelated areas. I agree that some fees are collected for programs that are not spent wisely, while some programs lack a funding source. Those should be corrected. Our businesses already pay significant fees. The State should not increase fees to cover unrelated regulations or eliminate the nexus between fees and programs.

V. Conclusion

Again I appreciate being able to participate in this process. As others have said before me this is a very ambitious undertaking and we in the industry are encouraged that you are moving in the right direction. I look forward to continuing working with the Commission and the CPR staff.

I would be happy to answer any questions.

Thank you.